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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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*Ex parte JEAN PIERRE DE VRIES*

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Appeal 2007-2412  
Application 09/681,790  
Technology Center 3600

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Decided: September 29, 2008

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Before HUBERT C. LORIN, ANTON W. FETTING, and  
MICHAEL W. O'NEILL, *Administrative Patent Judges*.

LORIN, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

De Vries (Appellant) seeks our review under 35 U.S.C. § 134 of the final rejection of claims 1-23. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

## SUMMARY OF DECISION

We AFFIRM and ENTER A NEW GROUND OF REJECTION  
PURSUANT TO 37 C.F.R. § 41.50(b) (2007).<sup>1</sup>

## THE INVENTION

The Appellant's claimed invention is "related to a system and method for automatically sharing matched or common interests between at least two entities while ensuring that non-shared interests are not disclosed or shared." (Specification [0002]). The invention is more easily understood from reading the following example reproduced from the Specification.

One example of determining whether separate entities have matched interests is embodied in buyer/seller relationship where the seller does not wish to disclose his or her entire inventory or prices for items in the inventory, and where the buyer is only interested in certain items within a certain price range. In this example, interests are considered to consist of an object/price pair. Consequently, the seller will specify a price or price range for each object in his inventory. This information, i.e., the seller's set of interests, is then stored in a seller accessible computer readable medium. Further, the buyer will likewise specify a price or price range for each object that he or she is interested in acquiring. Again, this information, i.e., the buyer's set of interests, is then stored in a buyer accessible computer readable medium. The seller's set of interests is then automatically compared to the buyer's set of interests using the turnwise partial disclosure method described above to determine whether the buyer is interested in purchasing any object that the seller may have to sell at a price that the seller is willing to sell the object for.

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<sup>1</sup> Our decision will make reference to Appellant's Appeal Brief ("App. Br.," filed Jul. 29, 2005) and Reply Brief ("Reply Br.," filed Feb. 13, 2006), and the Examiner's Answer ("Answer," mailed Dec. 5, 2005).

(Specification [0048]). The “turnwise partial disclosure method” referred to in the passage above is explained this way: first, the interests in each set of interests are represented by a string of at least one character or bit or encoded. (Specification [0044]). “[I]n one embodiment, the encoding scheme uses a conventional one-way hash . . . to prevent a determination of any interests from partially disclosed interests.” (Specification [0044]). Then the string of bits are compared to determine whether the strings match. (Specification [0045]).

In one embodiment, as soon as the comparison indicates that the hashed interest of a first entity does not match any other hashed interest of any other entity, the comparison is terminated with respect to the hashed interest being compared. For example, in the case of single bit or character comparisons, as soon as one bit or character of an interest of a first entity does not match any other interests of any other entity, the comparison is terminated with respect to the interest being compared. Consequently, where the comparison is terminated, the interest being compared is not completely disclosed. However, the comparison continues for as long as each hashed interest, or each bit or character continues to partially match one or more interests of another entity, with hashes, partial hashes bits, or characters being disclosed only to those entities where there is a continuing partial match.

(Specification [0046]). The Specification illustrates encoding and comparison equations which can be used in exemplary turn-based systems. (See Specification [0066] to [0086]).

## THE REJECTION

The Examiner relies upon the following as evidence of unpatentability:

Shear

US 6,112,181

Aug. 29, 2000

Hilsenrath US 5,926,812 Jul. 20, 1999

The following rejection is before us for review:  
Claims 1-23 are rejected under 35 U.S.C. § 103(a) as unpatentable over Shear and Hilsenrath.

## ISSUE

The issue before us is whether the Appellant has shown that the Examiner erred in rejecting claims 1-23 as unpatentable over Shear and Hilsenrath. This issue turns on whether the prior art would have led one having ordinary skill in the art to progressively compare interests and make partial matches.

## FINDINGS OF FACT

We find that the following enumerated findings of fact (FF) are supported by at least a preponderance of the evidence. *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1427 (Fed. Cir. 1988) (explaining the general evidentiary standard for proceedings before the Office).

### *Claim construction*

1. Claim 1 is drawn to a “system” but otherwise describes method steps.
2. The first step of claim 1 calls for a “*progressively comparing each interest* in each set of interests to interests in every other set of interests.” (Emphasis added).

3. The Specification does not provide a definition for “interests.” However, the Specification describes an embodiment whereby a user may enter “any desired characters, words, phrases, numbers, etc. for representing interests” [0043]. Accordingly, “interests” are data representing an expression of a feeling about something. *Cf. Webster’s New World Dictionary* 703 (3<sup>rd</sup> Ed. 1988.)(Entry 6a) for “interest”): “a feeling of intentness, concern, or curiosity about something.”
4. The Specification does not provide a definition for “progressively comparing.” The ordinary and customary meaning of “progressive” is “continuing by successive steps.” (*See Webster’s New World Dictionary* 1075 (3<sup>rd</sup> Ed. 1988.)(Entry 2 for “progressive.”) Accordingly, “progressively comparing” broadly covers comparing by successive steps.
5. The first step is not tied to a machine and could be performed wholly by a mental step.
6. The second step of claim 1 calls for “analyzing the results of the progressive comparison for determining whether any interests belonging to any set of interests *partially matches* any interests in any other set of interests.” (Emphasis added).
7. The Specification does not provide a definition for “partially matches.” The ordinary and customary meaning of “partially” is “not complete[ly] or total[ly].” (*See Webster’s New World Dictionary* 985 (3<sup>rd</sup> Ed. 1988.)(Entry 2 for “partial.”) Accordingly, “partially matches” in the context of the claim broadly covers

matching data representing feelings about something which do not completely or totally match data representing another feeling about something.

- 8. Data representing feelings about something which completely or totally match another data representing a feeling about something partially match each other.
- 9. The second step is not tied to a machine and could be performed wholly by a mental step.
- 10. The third step of claim 1 calls for “terminating the progressive comparison for specific interests with respect to each set of interests wherein the specific interests do not partially match any interests; continuing the progressive comparison for specific interests with respect to each set of interests wherein the specific interests do partially match any interests.”
- 11. The third step is not tied to a machine and could be performed wholly by a mental step.
- 12. The fourth step of claim 1 calls for “determining all shared interests between any of the at least two sets of interests by continuing the progressive comparison of interests to identify all interests belonging [sic] any set of interests that completely match interests in any other set of interests.”
- 13. The fourth step is not tied to a machine and could be performed wholly by a mental step.
- 14. Claim 10 is directed to a “computer-implemented process.” The claimed process provides for a step of “encoding each interest for

each set of interests,” a step which describes a function to be performed by a computer. The remaining steps are not tied to a machine and could be performed wholly by mental steps.

15. Claim 17 is directed to a computer-readable medium having computer executable instructions. The subject of those instructions generally track the steps set forth in claims 1 and 10 and, apart from their formulation as instructions, the steps could be performed wholly by mental steps.

*The scope and content of the prior art*

16. Shear relates to systems for matching, e.g., electronic matchmaker. (See col. 10). Shear is particularly concerned with electronic rights management.
17. Shear seeks to describe techniques for matching, for example, people with information. (Col. 2, ll. 64-66).
18. Shear seeks to describe a classifying and matching system designed to effectively provide an entity with desired information. (Col. 8, ll. 10-25).
19. Shear describes an electronic matchmaker which matches specifically tailored interests. For example, “[t]he electronic matchmaker in accordance with these inventions can learn about what Harry and Tim each like, and can provide information to a publisher so the publisher can narrowcast a newspaper or other publication customized for each of them.” (Col. 10, ll. 45-59). “Across the full range of personal and business activities, the present inventions allow a degree of basic efficiency, including

automation and optimization of previously very time consuming activities, so that interests and possible resources are truly bets matched.” (Col. 13, ll. 4-8).

20. Shear describes its system as having the capability to match interests between entities. (E.g., see col. 16, ll. 31-54).
21. Col. 60, ll. 55-67 of Shear states:

Businesses and other organizations may be concerned with privacy and confidentiality regarding information and/or services used within the company. This concern may be manifest regardless of whether the information and/or services originated inside and/or outside the organization. Thus some organizations may have strong incentives to take advantage of the present inventions by operating a distributed matching and classification utility 900 to provide matching and classification services within the enterprise while at the same time maintaining a higher degree of confidentiality and privacy by selecting and/or limiting the nature, range, and detail of information sent outside the organization.
22. Hilsenrath relates to a computer-implemented method for comparing documents, extracting entries therefrom, and generating sets of extracted entries and corresponding them to word clusters, in an effort to provide fast and accurate searches to identify documents of interest.

*Any differences between the claimed subject matter and the prior art*

23. The claimed subject matter combines steps and elements separately disclosed in the prior art.

*The level of skill in the art*

24. Neither the Examiner nor the Appellant has addressed the level of ordinary skill in the pertinent art of automatically sharing matched

or common interests between at least two entities. We will therefore consider the cited prior art as representative of the level of ordinary skill in the art. *See Okajima v. Bourdeau*, 261 F.3d 1350, 1355 (Fed. Cir. 2001) (“[T]he absence of specific findings on the level of skill in the art does not give rise to reversible error ‘where the prior art itself reflects an appropriate level and a need for testimony is not shown’”) (Quoting *Litton Indus. Prods., Inc. v. Solid State Sys. Corp.*, 755 F.2d 158, 163 (Fed. Cir. 1985)).

*Secondary considerations*

25. There is no evidence on record of secondary considerations of non-obviousness for our consideration.

**PRINCIPLES OF LAW**

“Section 103 forbids issuance of a patent when ‘the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.’” *KSR Int'l Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 1734 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, and (3) the level of skill in the art. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). *See also KSR*, 127 S. Ct. at 1734 (“While the sequence of these questions might be reordered in any particular case, the [Graham] factors continue to define the inquiry that controls.”) The Court

in *Graham* further noted that evidence of secondary considerations “might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented.” 383 U.S. at 17-18.

## ANALYSIS

*Rejection of claims 1-23 as unpatentable over Shear and Hilsenrath.*

### *Claims 1-9*

The Appellant argued claims 1-9 as a group (App. Br. 8). We select claim 1 as the representative claim for this group, and the remaining claims 2-9 stand or fall with claim 1. 37 C.F.R. § 41.37(c)(1)(vii) (2007). Claim 1 reads as follows:

1. A system for determining shared interests between at least two sets of interests, comprising:

progressively comparing each interest in each set of interests to interests in every other set of interests;

analyzing the results of the progressive comparison for determining whether any interests belonging to any set of interests partially matches any interests in any other set of interests;

terminating the progressive comparison for specific interests with respect to each set of interests wherein the specific interests do not partially match any interests; continuing the progressive comparison for specific interests with respect to each set of interests wherein the specific interests do partially match any interests; and

determining all shared interests between any of the at least two sets of interests by continuing the progressive comparison of interests to identify

all interests belonging [sic, to] any set of interests that completely match interests in any other set of interests.

The Examiner found that Shear discloses all of the steps of claim 1 except that “Shear does not explicitly teach continuing the progressive comparison for specific interests with respect to each set of interests wherein the specific interests do partially match any interests.” (Answer 4). The Examiner relied on the teaching in Hilsenrath of “a comparison method for specific interests with respect to each set of interests wherein the specific interests do partially match any interests (Figures 1-5 and associated text; columns 4-13)” (*Id.*) and determined that it would have been obvious “to combine Shear’s system and method for matching with Hilsenrath’s cluster generation and cluster similarity measurement to achieve a more accurate search result or comparison match, as per teachings of Hilsenrath.” (Answer 5).

The Appellant has challenged the *prima facie* case on two grounds: (1) the meaning of the term “value chains” in Shear is different than the one the Examiner appears to be giving it and (2) neither Shear nor Hilsenrath disclose partial disclosure of interests.

The Appellant’s first argument concerns the meaning to be given the term “value chain” as used in Shear. (App. Br. 8-14). The reason for this argument is not clear to us. As best we understand it, this part of the Appellant’s argument against the Examiner’s reliance on Shear as evidence that Shear discloses progressive comparison of individual interests. The Examiner relied upon the disclosure in Shear at col. 14, ll. 12-26; Figs. 16A-C and associated text; and col. 8, l. 26 – col. 30, l. 50. (See Answer 4). Within these passages, Shear mentions “value chain” certificates as an

example of a criteria on which matching can be based. (See e.g., col. 13, ll. 58-62). But based on our review of the record, the Examiner's position that Shear discloses progressive comparison of individual interests does not depend on Shear's disclosure of "value chains." The disclosure in Shear to which the Examiner refers is replete with teachings of matching interests. (See e.g., col. 14, ll. 25-26) ("matching ... between the interests of any of such parties"). Shear also suggests progressive comparison of interests. For example, Shear lists numerous techniques for classifying of interests which may form a step precedent to the matching of interests between entities. See col. 21, l. 20 – col. 22, l. 50 where estimation and statistical methods are described. These successive classifying of the entities' interests necessarily effects a successive comparing of their interests so that an effective matching of the interests is accomplished. Notwithstanding the disclosure of "value chains," Shear nevertheless supports the Examiner's position. We find it unnecessary to address the meaning one of ordinary skill in the art should give the term "value chains" as used in Shear.

As to Mr. Shear's testimony before the United States Senate Judiciary Committee on April 3, 2001 (see discussion beginning at App. Br. 10), not only is it not germane to the prosecution of this patent application before the U.S. Patent and Trademark Office, it is new evidence that does not appear to have been entered and thus its presence in the Brief violates the rules. See Office communication mailed Jun. 24, 2005. Rule 41.37(c)(1)(ix) states that "[r]eference to unentered evidence is not permitted in the brief." Also, Rule 41.37(c)(2) states "[a] brief shall not include any new or non-admitted amendment, or any new or non-admitted affidavit or other evidence."

Finally, Rule 41.33(d)(2) provides that evidence filed after the date of filing an appeal will not be admitted except as permitted by sections 41.39(b)(1) (reopening prosecution in response to a new ground in Examiner's Answer), 41.50(a)(2)(i) (reopening prosecution in response to a supplemental examiner's answer) and 41.50(b)(1) (reopening prosecution in response to a new ground in Board's decision). Accordingly, we will not treat the merits of the Appellant's argument (App. Br. 8-14) in light of this evidence.

The Appellant's second argument is that the Examiner has not shown progressive comparison of individual interests which involves a progressive partial *disclosure* of specific interests. (Emphasis added.) (See App. Br. 14-20; see e.g., App. Br. 15: "failure of either *Shear* or *Hilsenrath* to teach, or in any way describe, the Appellant's claimed element relating to partial disclosure of information"). This alleged distinction over the partial disclosure of interests is the basis for challenging the applicability of not just Shear, but Hilsenrath as well. However, this cannot be a persuasive challenge as to error in the rejection because the claim nowhere mentions disclosure of any interest. We do not agree with the Appellant's construction of the claim that "partial disclosures of interests" is inherent to the claimed system. (See Reply Br. 3-7). There is simply nothing in the claim which necessarily involves disclosure of any interest, let alone a partial disclosure. The claim is directed to a system for *determining shared interests*, not disclosing them. Simply because shared interests are determined does mean they are disclosed or will be disclosed, whether fully or partially. "Many of appellant's arguments fail from the outset because,

. . . they are not based on limitations appearing in the claims . . . ." *In re Self*, 671 F.2d 1344, 1348 (CCPA 1982).

Accordingly, we do not find the Appellant's arguments persuasive as to error in the rejection and thus we will sustain it.

*Claims 10-16*

The Appellant argues claims 10-16 as a group (App. Br. 21). We select claim 10 as the representative claim for this group, and the remaining claims 11-16 stand or fall with claim 10. 37 C.F.R. § 41.37(c)(1)(vii) (2007). Claim 10 reads as follows:

10. A computer-implemented process for automatically determining whether unique entities have any matched interests without disclosing non-matched interests, comprising:

providing a set of interests for each entity;

encoding each interest for each set of interests;

partially disclosing each encoded interest in each set of interests to each unique entity;

automatically performing a comparison of each partially disclosed encoded interest with the partially disclosed interests in each other set of interests;

determining whether there is a partial match of interests between the partially disclosed interests of any unique entities;

continuing to automatically perform the partial comparison of each encoded interest for specific interests for as long as there is a partial match of the specific interests between any unique entities; and

automatically identifying interest matches between any unique entities through the continued automatic partial comparison of each encoded interest.

The Appellant's challenge to the rejection of claim 10 begins by incorporating the arguments made against claim 1. (App. Br. 21). Since we found them unpersuasive as to error in the rejection of claim 1, we find likewise with respect to claim 10.

The remaining challenge repeats the argument made with respect to claim 1 in that the claimed subject matter distinguishes from that of the prior art for requiring "partially disclosing" interests. (App. Br. 21-24). Whereas this argument was not persuasive as to the rejection of claim 1, for the foregoing reasons, this argument has relevance to claim 10 because claim 10 expressly includes as step of partially disclosing interests.

In that regard, the Examiner initially relied on col. 27 of Shear as evidence that the prior art discloses this step. (Answer 6). In response, the Appellant recognized that in col. 27, ll. 8-9, Shear explains that its invention is capable of "“delivery of portions of said control information from one or more sources. ”" (App. Br. 25)(Emphasis original). According to the Appellant, this disclosure refers to control information that the VDE ("virtual distribution environment"; see Shear, col. 23, l. 9) uses to determine matches. "The ability of the Shear reference (see col. 23, ll. 9-11) to retrieve "portions" of its "control information" from various sources for modifying how the "virtual distribution environment" will determine matches has nothing whatsoever to do with the partial revealing of interests, and comparing of the partially revealed interests disclosed and claimed by the Appellant." (App. Br. 25). The Examiner responded by adding that

Shear also describes examples whereby partial disclosures are effected. (Answer 11-12). "In an example provided by Shear, partial disclosure of interests is used to maintain a high degree of confidentiality and privacy by selecting and/or limiting the nature, range and detail of information sent between parties in an organization (column 60, lines 53-67)." (Answer 12). The Appellant has not disputed this. Rather the Appellant argued that, in contrast to the claimed method, Shear fails to keep a full disclosure of non-matched interests to an entity. (Reply Br. 15-21).

We do not find the Appellant's argument persuasive as to error in the rejection. We find that the disclosure at col. 60, lines 53-67, of Shear would suggest to one of ordinary skill in the art to partially disclose interests, especially where confidentiality and privacy is concerned. As to whether Shear fails to keep a full disclosure of non-matched interests to an entity, we are unable to see the significance of that failure, assuming Shear does in fact fail to do so. Nowhere in claim 10 is there any mention of preventing the disclosing of non-matched interests to an entity. The Appellant's argument is not commensurate in scope with what is claimed and is thus not persuasive as to error in the rejection. Accordingly, we will sustain the rejection.

#### *Claims 17-23*

The Appellant argues claims 17-23 as a group (App. Br. 24). We select claim 17 as the representative claim for this group, and the remaining claims 18-23 stand or fall with claim 17. 37 C.F.R. § 41.37(c)(1)(vii) (2007).

The Appellant's challenge to the rejection of claim 17 is "on the same basis as provided for the rejection of claim 10." (App. Br. 24). Since we found the arguments challenging the rejection of claim 10 unpersuasive as to error in the rejection of claim 10, we find likewise with respect to claim 17.

*New Ground of Rejection*

*The system claims*

Claim 1 presents a series of steps which, were they to have been part of a claim drafted in method format, would not have presented a statutory process. We adhere to the rule expressed in *Diamond v. Diehr*, 450 U.S. 175 (1981), that, at least absent the development of some hitherto unknown type of technology, "[t]ransformation and reduction of an article 'to a different state or thing' is the clue to the patentability of a process claim that does not include particular machines." 450 U.S. at 184 (quoting *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972)), cited with approval in *In re Comiskey*, 499 F.3d 1365, 1377 (Fed. Cir. 2007). Thus, a method that fails to recite a transformation of subject matter into a different state or thing would not qualify as a statutory process. Here, claim 1 includes the generic term "system" in the preamble of the claim to signify an apparatus. However, claim 1 does not further define the "system" in any structural aspect. None the subsequent steps are tied to the preamble. In that respect, the recitation of the term "system" in the preamble is not necessary to give life, meaning, and vitality to the claim. *See On Demand Machine Corp. v. Ingram Industries, Inc.*, 442 F.3d 1331, 1343 (Fed. Cir. 2006) ("In considering whether a preamble limits a claim, the preamble is analyzed to ascertain

whether it states a necessary and defining aspect of the invention, or is simply an introduction to the general field of the claim. In *Kropa v. Robie*, 38 C.C.P.A. 858, 187 F.2d 150, 152 (1951), the court aptly described the inquiry as whether the preamble is ““necessary to give life, meaning and vitality to the claims or counts.””) Furthermore, a ““system,” *per se*, is not a particular machine and does not effect a transformation of any subject matter of the claim. Were this a method claim, the addition of the term ““system” would add nothing to what would otherwise be a non-statutory method. “Nominal recitations of structure in an otherwise ineligible method fail to make the method a statutory process.” *Ex parte Langemyr*, Appeal No. 2008-1495, slip op. at 20 (BPAI May 28, 2008). As the panel in *Langemyr* stated, “[t]o permit such a practice would exalt form over substance and permit claim drafters to file the sort of process claims not contemplated by the case law.” *Id.* We see no difference between a method claim nominally reciting structure and a ““system” claim, like claim 1, that merely recites the term ““system” in the preamble but otherwise describes a non-statutory method. To hold otherwise would be to exalt form over substance.

Dependent ““system” claims 2-9 likewise fail for the same reasons. None of these dependent claims adds a structural or functional limitation of a particular machine, nor do they recite a transformation. The limitations of the dependent claims could be performed solely via mental steps.

*The manufacture claims*

Independent claim 17 pertains to a computer readable medium having computer-executable instructions configured to direct a processor to perform

the steps of a method which steps could otherwise be performed solely via mental steps. Accordingly, claim 17 pertains to a computer readable medium that stores computer-executable instructions configured to direct a processor to perform a non-statutory process. This is analogous to placing instructions on a computer readable medium wherein the instructions are designed to implement an algorithm or an abstract idea. There is also no transformation in the subject matter of claim 17 because the claim merely recites instructions stored on a computer readable medium. We see no reason why placing instructions on a computer readable medium that cause a general purpose computer, when executed, to engage in manipulations of the sort set forth in claim 1 should be treated any differently than manipulations of abstract ideas or algorithms. Claims as a whole to an algorithm or an abstract idea are unpatentable where “[t]he sole practical application of the algorithm was in connection with the programming of a general purpose computer.” *Diehr*, 450 U.S. at 185-86. The statutory status of the claimed subject matter is not affected by having a non-statutory process stored on some computer-readable medium. To hold otherwise would be to exalt form over substance. We also point out that, as with claim 1, the “computer-readable medium” in the preamble of the claim is not further described in the body of the claim to any structural extent. None the subsequent steps are tied to the preamble. In that respect, the recitations in the preamble are not necessary to give life, meaning, and vitality to the claim.

Dependent “computer-readable medium” claims 18-23 likewise fail for the same reasons. These dependent claims recite steps which could

otherwise be performed solely via mental steps. They do not recite a transformation.

Accordingly, we hold that claims 1-9 and 17-23 are directed to non-statutory subject matter, and thus we enter a new ground of rejection of these claims as unpatentable under 35 U.S.C. § 101. We do not include method claims 10-16 as part of the new ground of rejection because they include the step of “encoding each interest for each set of interests.” This “encoding” step cannot be accomplished via a mental step but suggests the use of a computer. The encoding step and the steps using the encoded data (i.e., the “interests”) thus tie into the computer described in the preamble of the claim. Therefore, the preamble of claim 10 is necessary to give life, meaning and vitality to the claim. Accordingly, we do not find the subject matter of the method claims to be directed to a non-statutory process.

#### CONCLUSION

We conclude the Appellant has failed to show that the Examiner erred in rejecting claims 1-23 under 35 U.S.C. § 103(a) as unpatentable over Shear and Hilsenrath.

#### DECISION

The decision of the Examiner to reject claims 1-23 is affirmed.

We enter a new ground of rejection of claims 1-9 and 17-23 under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

Regarding the affirmed rejection, 37 C.F.R. § 41.52(a)(1) provides “Appellant may file a single request for rehearing within two months of the date of the original decision of the Board.”

In addition to affirming the Examiner’s rejection, this decision contains new grounds of rejection pursuant to 37 C.F.R. § 41.50(b) (2007). 37 C.F.R. § 41.50(b) provides “[a] new ground of rejection pursuant to this paragraph shall not be considered final for judicial review.”

37 C.F.R. § 41.50(b) also provides that Appellant, *WITHIN TWO MONTHS FROM THE DATE OF THE DECISION*, must exercise one of the following two options with respect to the new grounds of rejection to avoid termination of the appeal as to the rejected claims:

(1) *Reopen prosecution*. Submit an appropriate amendment of the claims so rejected or new evidence relating to the claims so rejected, or both, and have the matter reconsidered by the examiner, in which event the proceeding will be remanded to the examiner. . . .

(2) *Request rehearing*. Request that the proceeding be reheard under § 41.52 by the Board upon the same record. . . .

Should Appellant elect to prosecute further before the Examiner pursuant to 37 C.F.R. § 41.50(b)(1), in order to preserve the right to seek review under 35 U.S.C. §§ 141 or 145 with respect to the affirmed rejection, the effective date of the affirmance is deferred until conclusion of the prosecution before the Examiner unless, as a mere incident to the limited prosecution, the affirmed rejection is overcome.

If Appellant elect prosecution before the Examiner and this does not result in allowance of the application, abandonment or a second appeal, this

case should be returned to the Board of Patent Appeals and Interferences for final action on the affirmed rejection, including any timely request for rehearing thereof.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv) (2007).

AFFIRMED; 37 C.F.R. § 41.50(b)

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